



GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Development of Nizampatnam Integrated Port City Complex (NIPCCO) Project – MoU with M/s SKODA Export Company Ltd. – Terminated – Request for Arbitration filed before the International Court of Arbitration by M/s CKD Export a.s. – Nomination of Justice (Sri) B.P. Jeevan Reddy, Retd. Judge, Supreme Court of India as Arbitrator and the Learned Advocate-General of the State of Andhra Pradesh as Counsel – Orders – Issued.

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INFRASTRUCTURE AND INVESTMENT (PORTS.I) DEPARTMENT

G.O.Ms.No 37

Dated 16-7-2009.

Reade the following:-

1. MoU Signed between GoAP and M/s Skoda Export Company Ltd., dated 10-4-2006.
2. G.O.Ms.No.6, I&I (IID-1) Dept.,dt.24-7-2007.
3. From the VC & MD, INCAP, D.O.Lr.No.INCAP/B/Nizampatnam Port /103 2007-08, dated 5-8-2008.
4. Govt.Lr.No.1157/P.I(1)/2007, dt.22-8-2008 from the Secretary to Govt, I&I Dept. addressed to the Advocate General, A.P., Hyderabad.

ORDER:

The VC & MD, INCAP in his letter 3<sup>rd</sup> read above, referring to the notice served on INCAP on 5-8-2008 to refer the dispute to arbitration has reported that M/s CKD Exports a.s. claiming to be successor of M/s Skoda Exports a.s. has filed a request for Arbitration before the International Court of Arbitration with Industrial Corporation of Andhra Pradesh as the 1<sup>st</sup> respondent and GoAP as the 2<sup>nd</sup> respondent claiming US\$ 225 millions as opportunity cost or identified losses in respect of the MoU signed for the development of Nizampatnam Integrated Port City Complex on 10-4-2006.

2. In the circumstances reported by the VC&MD, INCAP that the Counter to the above claim has to be submitted by the respondents within 30 days i.e., before 4-9-2008 from the date of receipt of notice of Arbitration as per the ICC rules of arbitration, duly indicating the choice for a sole arbitrator or for three member arbitral tribunal.

3. The VC & MD has further reported that the consent of Justice (Sri) B.P.Jeevan Reddy and the Learned Advocate General have been obtained for acting as Arbitrator and the Counsel respectively in the above case.

4. Government after careful examination, approve the nomination of Justice (Sri) B.P.Jeevan Reddy, Retd. Judge of Supreme Court of India as the Arbitrator on behalf of the respondents and the Learned Advocate-General of the State of Andhra Pradesh as the Counsel before the arbitration for the respondents in the case "Request for Arbitration filed by M/s CKD Exports a.s. in the International Court of Arbitration", with effect from 22-08-2008 and 1-9-2008 respectively. The above appointments shall be subject to the usual terms and conditions in force with regard to the Fee etc., (Memo No.1796/F3(2)/04-1, Finance (W&P) Department, dated 11.9.2004) services of the Arbitrator and the Counsel shall be in force till the final award.

5. Government also order that all expenses in connection with the above case and fees towards the Arbitrator and the Counsel shall initially be borne by the VC & MD, INCAP, subsequently reimbursable by the Government under proper verification.

5. The Director of Ports, Kakinada and VC&MD INCAP shall take necessary action in the matter.

6. This order issues with the concurrence of Finance Dept. vide their U.O.No.18133-A/769/A2/Expr.PWD/09, dated 13-7-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MANMOHAN SINGH  
SECRETARY TO GOVERNMENT

To  
The Learned Advocate General, Government of Andhra Pradesh, Hyderabad.  
The VC & MD, INCAP, Hyderabad.  
The Director of Ports, Kakinada.

Copy to:  
The AG,AP, Hyderabad.  
The DTA, AP, Hyderabad.  
The DTO, East Godavari District. Kakinada.  
The Finance (Exp.PW) Department.  
The Law Department.  
Sf/Sc

// forwarded by order //

SECTION OFFICER